



CVSRTA Registered Valuers Association

CIN No. U93000MH2018NPL309992

Regd Office: Unit No 8, 1st Floor, Meghal Service
Industrial Estate, Devidayal Road, Mulund West,
Mumbai - 400080.

Mob: 99201 92379 Email: cvsрта.rva@gmail.com

Website: www.cvsrtarva.org

Report of Valuation Report Evaluation committee 2021-2022

Observations

1. There is improvement over the earlier evaluation results however there is a scope of further improvement.
2. Valuation Standard utilised for preparing the report by its proper name including its sub part with proper number is mentioned in most of the reports however in isolated case name of valuation standard was not mentioned although prima facie the valuation standard was followed in preparation of the report.
3. Purpose of valuation is mentioned in all the reports however it could have been more properly done under separate head with proper technical name of the value arrived at.
4. Scope of work was generally mentioned in most of the reports however it could have been more properly done with separate proper heading.
A separate heading for purpose of valuation and a separate heading for scope of works will provide more clarity. Basically scope of work will indicate list of assets that are coming under the specific purpose of valuation.
5. Background information relating to assets valued was elaborated in all the reports however there is scope of further improvement and it could have been more properly done with separate proper heading.
6. Appointing authority is mentioned and in the report.
7. Name of other experts, if any, involved in the valuation should be properly identified with their expertise in brief and for what purpose their services were utilised. However since none of the valuers utilised the services of other expert hence nothing about it was mentioned in the report.
8. Disclosure of valuer's interest or conflict, if any, is there in most of the reports however in isolated case it was absent as the same may have been disclosed in the acceptance letter however it could have been more properly done and it should be full and proper.

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9. In most of the reports Date of appointment, Valuation date and Date of report, is clearly mentioned however in isolated case Date of appointment was not mentioned and must have been mentioned in the engagement acceptance letter.

10. In most of the reports Inspections and Investigations undertaken was mentioned however it could have been more properly done. In few cases it could have been more elaborative so as to explain the whole process undertaken.

The reports of the valuers indicate sufficient investigation and due diligence have been done at the Ground level. However, when representing in the report they have represented at different places. The report can be more demonstrative of their efforts.

11. Nature and source of information is properly mentioned in most of the reports. In isolated case it could have been more properly mentioned.

Valuers are primary data generators. They need to corroborate various information and data which include statutory related documents apart from the title related documents. The valuers face challenges in IBC related assignments as the IRP may not have all the documents or may not be aware of the same. At the same time the Corporate debtor will not be cooperative. The valuers have done their best to obtain documents from various public domains apart from obtaining from the CD. Wherever inspite of their best efforts the relevant documents haven't been received, they have considered as Assumptions. This is seen in most of the reports.

12. Procedures adopted in carrying out the valuation standards followed was mentioned in most of the reports however there is further scope of improvement and it should be properly explained under separate head.

13. Restrictions on the use of the report was mentioned in most of the reports. In an isolated case it was not found in the report as may not be applicable to that report. There is further scope of improvement and it should be mentioned under a separate head.

14. Major factors that were taken into consideration during the valuation was mentioned in most of the reports however it could have been more properly elaborated. This area needs more working and attention of the valuers.

15. Conclusion were properly mentioned in most of the reports. However as far as possible it should be under separate heading.

16. Caveats, limitations and disclaimers in most of the reports were proper however valuers need to work more on this aspect. Caveats, limitations and disclaimers, if any, should be under separate head and should be pertinent to the valuation in hand and not a copy paste of some standard text copied blindly from one report to another for sake of having them in the report.

S.K. Gupta

17. Assumptions, if any, were mentioned in most of the reports. It should be under separate head and should be justified and pertinent to the valuation in hand.

In the valuation related to IBC, where there is a possibility or likely hood of the approvals/permits and licences being expired or the information in relation to same is not provided then there is a stronger reason to consider it as a Special Assumption.

18. Limiting condition, if any, were mentioned in most of the reports. It should be under separate head and should be justified and pertinent to the valuation in hand.

19. Significant uncertainty, if any, were mentioned in most of the reports. It should be mentioned under separate heading.

20. Abbreviated Summery report was there in most of the reports . Habit of making Abbreviated Summery report will help the valuers in preparing the world class report.

21. Variation from standard, if any were mentioned in most of the reports. Any variation from standard has to be properly justified under a separate heading.

22. Relevant asset standard is mentioned in most of the cases. Relevant asset standard referred to, if any, should also be mentioned separately.

23. Other observations

(a) Table of Contents (Index) is available in most of the reports. It should be provided in every report as per standard practice for convenience of Users.

(b) Abbreviations & Measurements used have been mentioned in most of the reports. However, the same may be provided in reports in a separate heading for the convenience of the user.

(c) For lease hold land conditions of unearned increase or transfer charges as stated in the lease deed may be clarified which ultimately affects the realizable value of the land.

S/d

(25/03/2022)

Committee Members

1. Mr. Jigesh Mehta
2. Mr. K S Venkatakrisnan
3. Mr. Rajesh Rajpara
4. Mr. Jayesh Lad
5. Mr. Pradeep Gandhi
6. Mr. Sanjay Malhotra
7. Mr. Ghanshyamsinh Vadher

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CVSRTA Registered Valuers Association

Chairman

Director



S. K. Gupta
(SUNITKUMAR GUPTA)